

# PPM 601

## OWNERSHIP & TRANSFER OF GOODS PURCHASED WITH VR FUNDS

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### PURPOSE

The fiscal policies and practices required by [Vocational Rehabilitation \(VR\)](#), including policies and procedures related to the ownership and transfer of tools, equipment, medical and assistive technology devices, and other tangible goods purchased with VR funds, have been established to assure that all expenditures of VR program funds are made in compliance with federal and state fiscal requirements and in a manner that is cost-effective, efficient, and accountable.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.13(c)]

## **POLICIES AND PROCEDURES**

### **601-01. VR-Owned Goods**

Except as provided for in sections 601-02 and 601-03 of this chapter, tools, equipment, medical and [assistive technology devices](#), and other tangible goods purchased with [Vocational Rehabilitation \(VR\)](#) funds remain the property of VR until the [consumer](#) achieves his or her [employment outcome](#), the transfer of ownership to the consumer by VR, and closure of his or her [record of services](#).

### **601-02. Consumer Owned Goods**

Tools, equipment, medical and assistive technology devices, and other tangible goods become the property of the consumer immediately upon receipt if they are:

1. purchased in whole or in part by the consumer or the consumer's family;
2. provided for the consumer entirely through [comparable services and benefits](#) providers (subject to applicable policies, if any, of the providers);
3. medical or assistive technology devices or other prescribed or recommended goods designed, made, or modified to meet the specific needs of the consumer such that they are personalized to the individual and not transferable to another consumer;
4. purchased for a [small business enterprise \(SBE\)](#) employment outcome and needed as collateral for a small business loan, and the [VR Counselor](#), the [Area Supervisor](#), and the consumer have agreed to transfer ownership of the goods to the business in order to secure the loan.

### **601-03. Goods Purchased for the Randolph-Sheppard Business Enterprise Program (BEP) and BEP Participants**

All tools, equipment, and adaptive devices purchased by VR for [Randolph-Sheppard Act](#) vending sites are the property of the [Business Enterprise Program \(BEP\)](#) of the Bureau of [Blind and Visually Impaired Services \(BVIS\)](#) from time of purchase. Ownership of equipment is assigned permanently to the BEP. Hand tools and adaptive equipment become the property of the consumer who manages the vending site upon successful VR case closure.

[AUTHORITY: State agency policy; federal regulations, 34 CFR 361.39]

### **601-04. Consumer Responsibilities for Goods Owned by VR**

Every consumer having custody of goods owned by VR must act as a responsible steward of those goods. The consumer must agree, in writing:

1. to use the goods only for the intended purposes for which they have been provided;
2. to be responsible for repair or replacement of goods damaged or destroyed by clear abuse or carelessness;
3. not to sell, gift, transfer ownership, or dispose of the goods, unless VR has provided the goods specifically for that purpose;
4. not to rent, lease, lend, sub-contract, or otherwise transfer possession, control, or use of the goods without written permission from VR to do so; and
5. to notify the VR Counselor immediately if any goods are stolen, damaged, destroyed, or lost, or if they are no longer needed for the purpose for which they were provided.

[AUTHORITY: State agency policy; federal regulations, 34 CFR 361.39]

## **601-05. Reclamation of Goods or Fair Cash Value by VR**

1. Goods purchased for consumers with VR funds may be reclaimed by VR at its discretion if:

A. the consumer or consumer's representative obtained the goods through misrepresentation, fraud, or collusion;

B. the goods are no longer needed or are no longer being used by the consumer for the purpose for which they were provided;

C. the consumer's record of services is closed without achieving the planned employment outcome;

D. the goods have been used by the consumer or consumer's representative to commit a criminal act or for any unlawful purpose;

E. the consumer has violated any of the conditions set forth in section 601-04 of this chapter.

2. VR may, at its discretion, transfer reclaimed goods to meet the vocational rehabilitation needs of other consumers, place them in storage for later use, or dispose of them in a manner consistent with VR policy and federal and state law.

3. As may be necessary or appropriate (as, for example, in situations in which the goods are no longer available for reclamation), VR may claim the fair cash value of goods provided with VR funds.

[AUTHORITY: State agency policy; federal regulations, 34 CFR 361.39]

## **601-06. The Receipt of Goods Form and Its Use**

1. All goods purchased by VR at a cost of more than \$50.00 require the consumer and VR Counselor to complete a Receipt of Goods form which includes:

A. a description of the goods provided and acknowledgment of their receipt;

B. agreement of the recipient to abide by the responsibilities described in section 601-04 of this chapter;

C. acknowledgment by the recipient of VR's right to reclamation or fair cash value, in accordance with VR policies described in section 601-05; and

D. a statement certifying the transfer of ownership and release of the goods or their reclamation (completed at the appropriate time).

2. Each completed section of the Receipt of Goods form must be signed and dated by the consumer and counselor, and all completed forms must be retained in the consumer's record of services.

[AUTHORITY: State agency policy; federal regulations, 34 CFR 361.39]

